4P

PILLARS FOR SUCCESS IN BUSINESS

PRODUCT + PROCESS + PEOPLE = PROFIT

A.K. Trikha – President / CEO Lean QA
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Agenda

- Introduction – Workshop Objectives
- Getting Started
- Product
- Process
- People
- Profit
- Summary
- Q&A
Workshop Objectives

- Review case studies of successful products and take away ideas to design, package and market your own product successfully.
- Understand and identify processes needed to support the product.
- Using case studies and exercises learn the art of execution by empowering the employees and creating HPWF.
- Learn how to become profitable by building a strong foundation of Product Processes and People. Learn return on investment ROI.
Product evaluation

Do I have the winning product

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Successful Product

Let's take an example of the most popular communication tool

- i-Phone or Android

- Why do we like it?
- List 10 / 1.5M reasons

1. ---------------
2. ---------------
3. ---------------
4. ---------------
5. ---------------
6. ---------------
7. ---------------
8. ---------------
9. ---------------
10. ---------------
Why is i-Phone successful? Facts
Time Magazine May 07, 2012

1. For any product that Apple creates, the people who create it have to want it themselves
2. The products have to be easy to use
3. Keep things simple
4. Offer great customer service and in-store experiences
5. Apple only makes a product if Apple can do it better
6. Apple stays at least two years ahead of its competitors

http://techland.time.com/2012/05/07/six-reasons-why-apple-is-successful/
Why is i-Phone successful? Group discussion

- Product - i-Phone
- Processes
- People
- Profit
CAN YOUR PRODUCT CLAIM: “I SOLVE” COMMON SOCIO-ECONOMIC PROBLEM

I: Innovative
S: Simple
O: Outstanding
L: Loved by customer
V: Value to the customer
E: Enhances customer Experience
DESIGNING AND PACKAGING MY PRODUCT

- What is my product?
- Do I know my customer?
- Do I know my competition?
- How should I design, package and market my product so it sells?
DESIGNING AND PACKAGING MY PRODUCT

- Does it solve a common problem in my industry, in society?

- Does it provide value to the user?

- Does it positively influence my business ecosystem?

- Could I make it an integral part of the business ecosystem? (branding: e.g., Google it?)
SUMMARY
SUCCESSFUL PRODUCT

- INNOVATIVE
- FILLS A NEED
- SOLVES COMMON PROBLEMS
- LOVED BY CREATORS AND USERS
- ENHANCES CUSTOMER EXPERIENCE
- GOOD FOR BUSINESS ECOSYSTEM AND SOCIETY

Apple i-Phone, Google, Mercedes Auto, Boeing & Airbus Aircrafts…
Exercise

Let's take an example of another popular communication tool

- Google

- Why do we like it?
- List 10 reasons
  1. ---------------
  2. ---------------
  3. ---------------
  4. ---------------
  5. ---------------
  6. ---------------
  7. ---------------
  8. ---------------
  9. ---------------
  10. ---------------
Why is Google a successful Product?

- Product
- Processes
- People
- Profit
Why is Google successful? Facts

GOOGLE REVEALS ITS 9 PRINCIPLES OF INNOVATION

- INNOVATION COMES FROM ANYWHERE
- FOCUS ON THE USER
- AIM TO BE TEN TIMES BETTER
- BET ON TECHNICAL INSIGHTS
- SHIP AND ITERATE
- GIVE EMPLOYEES 20 PERCENT TIME
- DEFAULT TO OPEN PROCESSES
- FAIL WELL
- HAVE A MISSION THAT MATTERS

By Google's chief social evangelist, Gopi Kallayil

Exercise

Let's take an example of another popular PRODUCT

- Why do we like it?
- List 10 reasons
  1. ----------------
  2. ----------------
  3. ----------------
  4. ----------------
  5. ----------------
  6. ----------------
  7. ----------------
  8. ----------------
  9. ----------------
 10. ----------------
Why are BOEING Planes successful?

- Product
- Processes
- People
- Profit
Why is Boeing successful? Facts

BOEING’S INNOVATION TAG LINE IS A DEDICATION TO BUILD SOMETHING BETTER

- LEAN MANUFACTURING IS THE FOUNDATION
- ENGINEERING INNOVATION COMES THROUGH
  - PERSISTENCE – Keep at it until
  - CREATIVITY THINKING – Find ideas in or outside company
  - TEAM APPROACH – People working together as a global enterprise for aerospace leadership, diverse and involved team
  - EMBRACING CONTINUOUS IMPROVEMENT
  - LEADERSHIP, INTEGRITY, QUALITY
- CUSTOMER SATISFACTION
- GOOD CORPORATE CITIZENSHIP – Provide safe work place and protect the environment
- ENHANCE SHAREHOLDER VALUE – Business must produce a profit, and must generate superior returns


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5/29/2015
Do I have robust processes?
Can the processes support my product and people and get me profit margins?

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WHAT IS A PROCESS?

- Process is a set of tasks or activities that converts inputs into meaningful outputs.

- Every process has 5 components
WHAT IS A PROCESS - SIPOC

- **S**: Supplier
- **I**: Input
- **P**: Process
- **O**: Output
- **C**: Customer
Supplier – Each business process has a supplier who feeds the process

Input – Things or actions required to start the Process

Process – The actual task that converts input to an output

Output – What does the process achieve and deliver

Customer – Receiver of the process outcome
WHAT IS A ROBUST PROCESS?

- Inputs and Outputs Defined and Documented
- Objectives Defined, Established and met
- Process provides value to support product
- Lean Six Sigma- has minimal waste & passes tests
WHAT PROCESSES DO WE NEED TO SUPPORT THE PRODUCT

- Processes compliant to international standards e.g., ISO 9001, AS9100, AS9120, AS9110 etc.

- Lean Processes that add value for customer & organization and are customer focused

- Processes that have controls in place to identify mistakes and prevent future mistakes

- Processes that are effective, identify and mitigate risks
PROCESS SIMULATION

- EXPERIENCE LEAN EXERCISE
- GROUP DISCUSSION:
  - Processes
  - Controls
  - Value to organization and customer
Effective, Lean and error free based on ISO/AS/TS
Fail proof - Objectives Driven Results oriented
Frequently monitored for objectives and results
Easy to use processes
Customer focused
Tested for accuracy
Intuitive and easy to follow
Value by supporting product
Excellence in customer experience

Ritz Carlton, Starbucks, American Express, Toyota/Lexus GE, Dell …
Do I have Qualified People to run processes

Job description, Criteria

Goals for Job description

Training Programs

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### High Powered Work Force (HPWF)

- Aware of company goal and mission
- Trained and proficient in providing superior customer experience
- Bias for action – results oriented
- Google family environment

*In-N-Out Burger, Race Car Pit Crew, Tesla,*
WHO’S REQUIRED TO EXECUTE THE PROCESSES

- **QUALIFIED PERSONNEL**
- **DEFINED RESPONSIBILITIES & JOB DESCRIPTIONS**
- **EFFECTIVE TRAINING PROGRAM**
- **PEOPLE WHO TAKE OWNERSHIP**
- **HPWF**
COMPETENT PERSONNEL

- How do we know if someone is competent when newly hired
  - Meets or exceeds job requirements based on education, experience and reference

- How do we know if personnel are competent during their employment
  - Meets or exceeds competency checks based on performance reviews
AWARENESS – COMMUNICATION

What methods are employed to raise awareness and to communicate effectively with the personnel

- Newsletters, posters, banners, badges etc.
- Town-hall, All Hands meetings
- One on one sessions with supervisors
- Company events
- Management Review Meetings
- E-mails
- ERP SMS
TRAINING

Do you have programs for:

- OJT
- Product - Process trainings
- Classroom trainings outside organization
- Town-hall, All Hands meetings/trainings
- Web trainings
- Opportunities for personnel to attend industry workshops
- Best Practices trainings and reward system for innovation
Why BOEING Planes are successful?

- Product
- Processes
- People
- Profit
Exercise

XYZ is a distributor organization selling consumables for Space, ITAR and Military end use

• What Qualification would you need to hire a purchasing Person?

• List 10

1. 
2. 
3. 
4. 
5. 
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10. 

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Exercise

XYZ is a distributor organization selling consumables for Space, ITAR and Military end use

- What ongoing trainings would you need for a purchasing Person?

- List 10

1. 
2. 
3. 
4. 
5. 
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10.
Exercise

XYZ is a distributor organization selling consumables for Commercial end use

- What Qualification would you need to hire a Sales Person?

- List 10

1. 
2. 
3. 
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5. 
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7. 
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9. 
10. 

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Exercise

XYZ is a distributor organization selling consumables for Commercial end use

- What ongoing trainings would you need for a Sales Person?

- List 10

1. 
2. 
3. 
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10. 

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People - Summary

- Smart Teams – use Training Plans, Training Matrix, Effectiveness checks, motivational tools
- Trained and proficient in providing superior customer experience
- Bias for action – results oriented – take ownership
- Google family environment ready for all challenges

In-N-Out Burger, Race Car Pit Crew, Tesla,
How can my product be profitable?

ROI

PRODUCT + PROCESS + PEOPLE = PROFIT

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PROFITABLE VENTURES
Profit is the positive gain from an investment or business operation after subtracting all expenses

- Product is innovative and solves major customer problem
- Waste is eliminated from processes
- People are motivated and deliver delightful quality
- ROI is substantial on all investments

Boeing and Airbus, Apple i-Phone, Google, computers…
Why is finance so important in any business venture?

- Provides the economic base for organizations performance and sustainability
- Need profits to pay the bills and sustain growth
- Return On Investment (ROI) is important
- Keeps tabs to see if the Product, Process or People are providing value to the operation? If not, how can we innovate, design, train or reengineer so end product/service provides value all across
How can my organization measure ROI?

- Finance person can calculate the average “man-hour” cost in your organization.
- This is based on Average hourly salary of employees which also includes the benefits, overhead expenses, insurance, workman comp, etc.
- Average “man-hour” cost varies from organization to organization.
- Small to mid cap organization costs are approx. $35 / man hr.
- Government and other organizations are known to measure those in excess of $100 / man hr.
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